



**Industry, Energy and Technology**

**Regional Development Fund:**

**2021 Call for Proposals  
Broadband Rapid Response Projects**

**Original Date Issued: October 15, 2021**

## **2021 Call for Proposals – Broadband Rapid Response Projects**

The Department of Industry, Energy and Technology (IET) through its Regional Development Fund, is requesting proposals that address gaps and deficiencies in broadband service in unserved and underserved communities throughout Newfoundland and Labrador.

Administered by IET, the initiative is cost-shared through which IET will contribute a maximum of 75 per cent towards project costs of broadband infrastructure upgrades/enhancements where the remaining balance of 25 per cent is provided by the service provider/carriers.

This initiative is focused on:

- 1) Immediate response broadband projects that can be implemented prior to June 30, 2022 (agreements must be finalized by March 31, 2022);
- 2) Addressing some of the most chronically unserved, underserved and congested regions of the province; and,
- 3) Servicing areas that have not received funding through the [Universal Broadband Fund](#) and/or areas for which there has been no proposal submitted to Universal Broadband Fund.

Generally, most of these unserved and underserved locations are in the areas that have low density populations, and are located in rural and/or remote regions of the province. This initiative will help facilitate new investments in the province's broadband infrastructure to improve the business case for telecommunication carriers to expand coverage and provide access to communities that are currently unserved or underserved.

IET seeks innovative and customized broadband service proposals from Internet service providers. IET is seeking cost effective 'best fit' solutions that can expand and maximize broadband service to more communities.

### **Objectives and Expected Results**

- Increase access to reliable, high quality and affordable services for businesses, households, and institutions for economic and social benefits;
- Remove barriers to business development growth;
- Improve opportunities for virtual service delivery (i.e. online learning, virtual healthcare); and,
- Support other regional and municipal initiatives.

Contributions are expected to reinforce the efforts of new or existing service providers to accelerate investments and build new broadband infrastructure in unserved or underserved communities leading to an increase broadband service that is affordable and reliable in households, healthcare facilities, schools and businesses.

To this end, the project must target, at a minimum, the Canadian Radio-television and Telecommunications Commission (CRTC) speed targets, including speeds of 50

megabits per second (Mbps) download and 10 Mbps upload for fixed broadband Internet access services.

Broadband speeds to the customer are defined by a maximum oversubscription ratio (ratio of the allocated bandwidth per user to the guaranteed bandwidth per user). Please outline in your response the planned ratio for the project. Total score will be judged by a favorable ratio.

### **Funding Contributions**

- Provincial Government – maximum 75 per cent
- Internet Service Provider – minimum 25 per cent

### **Eligible Proponents**

Internet Service Providers who are investing in Newfoundland and Labrador.

### **Eligible Activities**

Eligible activities will achieve the objectives of the broadband service call for proposals, including the deployment of broadband infrastructure that establishes access within a geographic region.

To be eligible for contribution, the broadband project must:

- Service unserved, underserved and congested communities and/or region(s) of the province (proposals must cover areas that do not already have 50/10 Mbps service, as identified on the [National Broadband Internet Service Availability Map](#));
- Service areas that have not received funding through the [Universal Broadband Fund](#) and/or areas for which there has been no proposal submitted to Universal Broadband Fund Projects;
- Must be completed by June 30, 2022; and,
- Must deliver minimum service speeds of 50/10 Mbps.

### **Eligible Expenses**

Eligible expenses include:

- Travel considered fundamental to the implementation of the initiative;
- Building materials/supplies;
- Machinery/equipment;
- GST/HST – applicants who are entitled to a CRA refund or credit on a portion of the GST/HST paid on goods and services deemed eligible will be allowed to claim on the portion of tax not refunded by CRA; and,
- Any other costs defined eligible by the department.

Any particular expenditure required for the implementation of an initiative should be itemized in the project costs.

The following are not eligible for funding consideration:

- Core administrative functions of any organization;

- Administration fees; and,
- Entertainment.

## **Proposal Requirements**

The following is required in preparing proposal:

1. Completed Regional Development Fund application form.  
[https://www.gov.nl.ca/iet/files/App\\_Guide\\_RDP.pdf](https://www.gov.nl.ca/iet/files/App_Guide_RDP.pdf)  
[https://www.gov.nl.ca/iet/files/rdp\\_app-1.pdf](https://www.gov.nl.ca/iet/files/rdp_app-1.pdf)
2. Project Description
  - a. Activities of the project
  - b. Project goal(s)
  - c. Project location and current broadband service status.
  - d. Project Benefits – long term potential impact on the community, business and economic development.
3. Coverage
  - a. Types of technology to be deployed, demonstrating that it is the most effective solution for the community/region and expected resulting access (e.g. scope of territory covered with broadband service including current and future coverage maps).
  - b. The application must provide an overview of the existing and future number of households, schools, businesses, and anchor tenants etc. to be served.
  - c. In areas where there a number of communities in close proximity are unserved or underserved, the application should coordinate multiple communities in one proposal, where feasible and capacity exists to package a region rather than individual communities.
  - d. The application must demonstrate that long term maintenance and operations related to the infrastructure is the responsibility of the Internet service provider.
  - e. The application must demonstrate the chosen technology is sustainable, over both the short-term and the long-term.
  - f. The application must outline the planned ratio for the project.
4. Affordability
  - a. Projects that offer lower retail pricing will be assessed more favourably. Proposed pricing will also be compared to the range of prices, by region, as reported in the CRTC's Communications Monitoring Report.
5. Long-term Sustainability and Scalability
  - a. The application must demonstrate the new service will be affordable to consumers (i.e., comparable costs for comparable service from competition), and include:
    - i. Monthly subscription costs.

- ii. Initial installation costs.
  - iii. Equipment rental/purchase costs incurred by the consumer.
  - iv. Traffic cap limits.
  - v. Additional cost per Gigabit for traffic in excess of the traffic cap.
  - vi. If any of these costs are waived for the project, the waived cost must be included and noted as being waived. If any of these costs are reduced as part of marketing or contract initiative, both the reduced price and the full price along with the duration of the special pricing must be included.
- b. The application must address the technical scalability by:
  - i. Demonstrating the proposed network can grow with the expected increase in demand from users.
  - ii. Demonstrating the network capacity can exceed the minimum download throughput.
  - iii. Detailing the network characteristics or components that will need to be changed or upgraded to respond to increased bandwidth.

## 6. Project Implementation

- a. Brief description of any partner organizations including their role in the project.
- b. Project start and finish dates: a detailed project timeline and schedule, including a critical path with key milestones. This timeline should demonstrate that the project is well-planned and has defined activities that are logically sequenced with realistic timelines, and include an estimated start date and completion date for each component. Projects must be completed by June 30, 2022.

## 7. Project Management

- a. Capacity to manage projects – the proposal must demonstrate that the Internet service provider has the capacity to manage the project. This capacity includes both administrative and technical capabilities, and could be demonstrated by: providing a business profile including a business history, annual revenues, years in business, province of operation, client base, and, if applicable, previous broadband funding (federal and/or provincial) received for broadband service projects, the provider's business model (e.g. types of services offered) and any changes to the business model as a result of the proposed project; providing the qualifications of the service provider management team; clearly outlining the roles and responsibilities of project team members in the implementation of the project; providing a clear description of the services provider team's capacity to deliver in areas such as engineering, designing, developing and/or operating networks; and providing a proven track record in broadband service deployment or infrastructure projects of similar size and implementation pattern.
- b. The proposal must provide a list of all project-related contractors and consultants and their roles in the proposed project. If the Internet service provider is relying heavily on contractors or subcontractors to implement the

project, they should demonstrate that this will not create additional risks (e.g. delays).

- c. The application must include a description of all risks it currently identifies, the level of risk, and strategies to mitigate or manage these risks. The risks identified should cover all aspects of the proposed project (e.g. design, construction, and implementation). In assessing this element, IET will examine whether the risk mitigation strategies for each risk are reasonable, and if they are appropriate given the level of risk (e.g. high level risks have robust mitigation strategies). In addition, IET will assess whether the Internet Service Provider has omitted any risks associated with the project.
- d. Note: all documents and other records in the custody of or under the control of some or all of the Government or its representatives may be subject to the **Access to Information and Protection of Privacy Act**.

#### 8. Regulatory Requirements

- a. Identify any permits, licenses and/or environment approvals that are required.

#### 9. Financial Requirements

- a. Budget Table.
- b. HST – include if applicable and requested.
- c. Itemized project costs – the proponent must complete the following:
  - i. Costing detail:
    1. Total cost of the project including non-eligible expenses.
    2. Total cost of funding requested (eligible expenses).
    3. Detailed breakdown of eligible expenses – broken down by site
      - a. Construction per site.
      - b. Power per site.
  - ii. Sources of funds:
    1. Amount requested through IET.
    2. Other sources of funds.
    3. Total sources of funds must equal total project cost.
    4. Internet service providers must demonstrate that they have secured all financial contributions prior to submitting a proposal.
- d. Explanatory notes to accompany the budget.

#### 10. Project Evaluation/Final Report

- a. Outline how the project results will be measured and evaluated.

### **Proposal Evaluation**

IET encourages partnerships and collaboration for the most cost effective and innovative solutions. IET reserves the right to assess projects based upon a) providing access to the greatest number of communities; b) economic impact in a region or community; c) enhancing broadband access to communities, which currently do not have access to or have limited access to service; and, d) maximum service to the region(s).

IET reserves the right to make partial awards and to negotiate scope changes with proponents.

Elements of proposals will be evaluated based on compliancy with the information requested, suitability of the information, and quality/appropriateness of the proposed broadband service solution.

### **Contribution Amounts**

The contribution amount from IET to the proponent will be to a maximum of 75 per cent of the eligible expenses.

### **Stacking of Assurances**

The total provincial government funding contribution permitted must not exceed 75 per cent. All proponents will be required to inform IET of financial assistance received or requested for the project prior to the approval of a contribution. Furthermore, the contribution agreements will contain a continuing disclosure obligation, for the duration of the agreement, concerning other government assistance.

### **Proposal Inquiries and Questions**

To address questions and enquiries, proponents should contact:

Hayward Keats  
Department of Industry, Energy and Technology  
Email: [IET@gov.nl.ca](mailto:IET@gov.nl.ca).

Inquiries and questions relating specifically to the proponent will be addressed directly back to the proponent within two business days.

Inquiries and questions that may affect the outcome and scope of the call for proposals will be addressed to all proponents who have expressed an interest in submitting a proposal. These responses will be done on a weekly basis normally on a Friday of the week.

In the interest of ensuring all interested proponents are given the latest information, IET will accept inquiries and questions up to two weeks prior to close of deadline.

### **Proposal Deadline**

The final submission date for proposals is **November 30, 2021 at 4:00 p.m.** Proposals will be reviewed and assessments completed after the closing date.

### **Proposal Submissions**

Submissions from interested proponents should be directed to:

Via Email: Hayward Keats  
Department of Industry, Energy and Technology  
[IET@gov.nl.ca](mailto:IET@gov.nl.ca)